

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 57th LEGISLATURE - REGULAR SESSION COMMITTEE ON BUSINESS AND LABOR

Call to Order: By **CHAIRMAN JOE MCKENNEY**, on January 8, 2001 at 8:00 A.M., in Room 172 Capitol.

ROLL CALL

Members Present:

Rep. Joe McKenney, Chairman (R)
Rep. Rod Bitney, Vice Chairman (R)
Rep. Gary Matthews, Vice Chairman (D)
Rep. Sylvia Bookout-Reinicke (R)
Rep. Roy Brown (R)
Rep. Nancy Fritz (D)
Rep. Dave Gallik (D)
Rep. Kathleen Galvin-Halcro (D)
Rep. Dennis Himmelberger (R)
Rep. Carol C. Juneau (D)
Rep. Jim Keane (D)
Rep. Rick Laible (R)
Rep. Bob Lawson (R)
Rep. John Musgrove (D)
Rep. William Price (R)
Rep. Allen Rome (R)
Rep. Donald Steinbeisser (R)
Rep. Brett Tramelli (D)
Rep. James Whitaker (R)

Members Excused: None.

Members Absent: None.

Staff Present: Gordon Higgins, Legislative Branch
Jane Nofsinger, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing(s) & Date(s) Posted: HB19, HB56, HB87, 1/8/2001

Executive Action: HB19, HB26, HB56

HEARING ON HB19

Sponsor: REP. RALPH LENHART, HD2, Glendive

Proponents: Rep. Monica Lindeen, HD67, Huntley
Rick Hardin, Colstrip Parks and Recreation Director
Tom Clements, Babe Ruth Baseball League
Sen. Bob DePratu, SD40, Whitefish

Opponents: None

Informational Witnesses: None

{Tape : 1; Side : A; Approx. Time Counter : 2}

Opening Statement by Sponsor:

REP. RALPH LENHART, HD2, Glendive, stated HB19 would expand the exemption from coverage under the Workers' Compensation Act to include employment as an official at all amateur athletic events and provide an effective date. Rep. Lenhart noted there were some changes in the bill and he passed out a letter written by Rick DeJana of Kalispell in favor of the bill. EXHIBIT (buh05a01) He also said the bill would save a great deal of money which could be well-spent in other ways on amateur sports.

Proponents Testimony:

Monica Lindeen called this a "clean-up" bill which would allow amateur sports to be exempt from worker's compensation as were school officials and asked the committee to approve the bill.

Rick Harbin offered written testimony in support of the bill. EXHIBIT (buh05a02)

Tom Clements said workers' compensation would be cost prohibitive for his league and he urged the committee to support HB19.

SEN. BOB DePRATU said he had thought of introducing this type of bill and was glad to support this one. He called it a "mom and apple pie" bill and said he thought amateur athletics would be hampered or perhaps disrupted if this bill was not passed.

Questions from Committee Members and Responses:

{Tape : 1; Side : A; Approx. Time Counter : 20.6}

REP. BROWN asked if umpires would be covered. **REP. LENHART** replied yes they would.

REP. LAIBLE asked if the amendment would open the associations to liability. **Rep. Lenhart** said yes but most clubs carry liability insurance.

Closing by Sponsor:

REP. LENHART closed by saying the bill is necessary, the amendment to it makes it even better, and he hoped the committee could give amateur athletics a real break by passing the bill.

{Tape : 1; Side : A; Approx. Time Counter : 24.7}

HEARING ON HB 87

Sponsor: **REP. GAY ANN MASOLO, HD40, Townsend**

Proponents: **Ingrid Childress, Job Service, Department of Labor**
Web Brown, Montana Chamber of Commerce
Arlene Parisot, OCHE
Riley Johnson, National Federation Of Independent
Businesses
Don Judge, Montana AFL-CIO
Sue Mohr, Job Training Partnership
Carol Juneau, HD85

REP. GAY ANN MASOLO, HD40, Townsend, told the committee that HB87 would repeal the outdated Job Training Partnership Act which expired 6-30-00. HB87 would keep Montana current with the new federal law.

Proponents:

Ingrid Childress said the Job Service of the Department of Labor and Industry requested this bill to comply with the language of existing law.

Arlene Parisot spoke in support of the bill.

Riley Johnson expressed support for the bill.

Don Judge expressed support for the bill.

Sue Mohr spoke for the bill.

REP. CAROL JUNEAU stood in support of the bill and presented various amendments which made the bill more inclusive of the Montana Indian nations.

EXHIBIT (buh05a03)

Questions form the Committee Members and Responses:

REP. LAIBLE asked **REP. JUNEAU** what the fiscal impact of her amendments would be. **REP. JUNEAU** said she would find out.

REP. GALVIN-HALCRO asked Ms. Childress if she had looked at the amendments offered by **Rep. Juneau**. **Ms. Childress** said she had and believed they were compatible with the Workforce Act, They would, however, expand the size of the board by one special interest member and so they would need to balance it with a private interest representative.

REP. GALVIN-HALCRO asked if the amendments could accepted as presented. **CHAIRMAN MCKENNEY** said they were being offered as testimony at this point.

REP. BITNEY asked **REP. MASOLO** if she was aware of the amendments and if they change or altered any thing in the bill. **REP. MASOLO** said most of the amendments were covered in the federal act anyway. She said she would be against the added board member because there would be added cost as a result.

Closing by the sponsor:

REP. MASOLO said this was the opportunity for the legislature to express its intent. If they did not pass this bill the state will have to go by federal law.

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HEARING ON HB56

{Tape : 1; Side : B; Approx. Time Counter : 14.5}

Sponsor: **REP. BOB LAWSON, HD80, Whitefish**

Proponents: **Gary Marks, Whitefish City Manager**
David Sipe, Whitefish Fire chief
Brett Rijke, Whitefish Firefighter and Paramedic
Alec Hanson, Montana League of Cities and Towns
Sen. Bob DePratu, SD40
Susan Good, Allied Citizens for Healthcare Equity

**Pat Clinch, Montana State Council of Professional
Firefighters**

Claudia Clifford, State Auditor's Office

Opening Statement by Sponsor:

REP. BOB LAWSON, HD 80, Whitefish, said this bill will make an exception to the insurance code and is a manner of providing ambulance service which is affordable to citizens and yet will generate some additional funds for local governments to provide ambulance service and purchase equipment.

Proponents Testimony:

Gary Marks stated membership would be voluntary for citizens and the plan had much success in Oregon. This bill would enable this plan to be pursued in Montana. He said Medicare and Medicaid individuals are already covered and would not be effected.

EXHIBIT (buh05a04)

David Sipe said this bill would benefit the patient and would avoid the patient paying more cost later. It would also help upgrade equipment and ambulance service. He pointed out the ambulance service is not tax-supported even though the fire department is. Ambulance service is solely user-funded.

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Bret Rijke said the bill would help resolve inequality of care.

Alec Hanson pointed out that other cities and towns would not have to implement the service but they would have the option of doing so. The bill provides another way to provide a public service he said.

SEN. BOB DEPRATU said he had been a past president and fire chief and was familiar with the finances of the fire department. He said this was a practical and innovative way to provide money. He pointed out that often what medicare allowed in payment was not sufficient to cover the actual costs of the service. He noted on one heart attack drug which was required medicare did not recognize the drug and would not pay anything. He said the bill would help keep the service in the black without having to ask for a levy. He said the bill allows for local control without adding to the tax base.

Susan Good supported the bill saying many policies paid only \$200 and that under-reimbursement is common in medicare and private policies. **EXHIBIT (buh05a05)**

{Tape : 2; Side : A; Approx. Time Counter : 7}

Pat Clinch supported the bill.

Claudia Clifford said the Auditor's Office looked at financial solvency and made sure the policy holder was able to get what they paid for. She said they asked what is the risk and if there was enough protection. The Auditor's Office was offering some amendments to the bill to tighten the language.

{Tape : 2; Side : A; Approx. Time Counter : 12.3}

Questions from the Committee Members and Responses:

REP. BOOKOUT-REINICKE asked **Mr. Marks** asked if the service was voluntary and how the rate was determined. **Mr. Marks** said the service was voluntary and the market would rule as people would not join if the cost was too high. **REP. BOOKOUT-REINICKE** asked if the citizen did not have insurance would the \$39 fee cover all costs. **Mr. Marks** replied it would.

REP. PRICE asked **Ms. Clifford** asked if this was an insurance program would people be licensed to sell insurance. **Ms. Clifford** said it was a good question and that 1500 companies were licensed in Montana in the health market. **Ms. Clifford** said the purpose was to exempt the city so they can sell the policy. She said the bill was requesting the city to be exempted from regulation or oversight by State Auditor.

REP. KEANE asked **Ms. Clifford** could the city get a license. **Ms. Clifford** said yes they probably could but it would be a lengthy and costly process requiring deposits and reserves.

REP. GALLIK asked **REP. LAWSON** if the amendments were acceptable. **REP. LAWSON** replied they were as they had been working with the Auditor's Office.

REP. GALVIN-HALCRO asked **Mr. Marks** if the medicaid and medicare recipients would be responsible for buying the policy. **Mr. Marks** said it would not effect them. She asked **Mr. Marks** if it would prevent another company from offering the same service. **Ms. Clifford** replied it would not.

{Tape : 2; Side : A; Approx. Time Counter : 26.4}

Closing by Sponsor:

REP. LAWSON noted the success this plan had in other states and said while it did not prevent any other entity from selling the

same product, it would allow affordable ambulance service for customers.

{Tape : 3; Side : A; Approx. Time Counter : 0}

EXECUTIVE ACTION ON HB56

Motion/Vote: REP. LAWSON moved that HB56 DO PASS. Motion carried 18-1 with Laible voting no.

EXECUTIVE ACTION ON HB19

{Tape : 3; Side : A; Approx. Time Counter : 17.4}

REP. LAWSON moved that HB19 DO PASS AS AMENDED. Motion carried unanimously. 19-0.

EXECUTIVE ACTION ON HB56

REP. LAWSON moved that HB56 DO PASS AS AMENDED. Motion carried Unanimously. 19-0.

ADJOURNMENT

Adjournment: 10:10 A.M.

REP. JOE MCKENNEY, Chairman

JANE NOFSINGER, Secretary

JM/JN

EXHIBIT (buh05aad)